



## Commercial Vehicle Solutions

ZF Group - ZF Commercial Vehicle Control Systems India Limited, Chennai 600058

Department Finance  
From Muthulakshmi M  
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Date June 30, 2024

The Manager  
Listing Department  
BSE Limited, Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400 001

**Scrip code: 533023**

Listing Department  
National Stock Exchange of India Ltd  
Exchange Plaza, C-1, Block G  
Bandra - Kurla Complex  
Bandra (E), Mumbai 400 051

**Trading Symbol: ZFCVINDIA**

Dear Sirs,

### **Reg : Business Responsibility and Sustainability Reporting**

Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we are enclosing herewith the Business Responsibility and Sustainability Report for the Financial Year 2023-24, which forms an integral part of the Integrated Annual Report for the Financial Year 2023-24.

Kindly take the above information on your record and dissemination please.

Thanking you,

Yours sincerely,

ZF Group

Muthulakshmi M  
Company Secretary  
ZF Commercial Vehicle Control Systems India Limited

Encl : As above

### **ZF Group**

ZF Commercial Vehicle Control Systems India Limited  
(Formerly known as WABCO INDIA Limited)  
Plot No.3 (SP), Third Main Road,  
Ambattur Industrial Estate,  
Chennai - 600058. India  
Phone: +91 44 4224 2000

# Business Responsibility and Sustainability Report Overview:

**Section A** – General Disclosures

**Section B** – Management and process disclosures

**Section C** – Principle-wise performance disclosure

<b>Principle 1</b>	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
<b>Principle 2</b>	Businesses should provide goods and services in a manner that is sustainable and safe
<b>Principle 3</b>	Businesses should respect and promote the well-being of all employees, including those in their value chains
<b>Principle 4</b>	Businesses should respect the interests of and be responsive to all its stakeholders
<b>Principle 5</b>	Businesses should respect and promote human rights
<b>Principle 6</b>	Businesses should respect and make efforts to protect and restore the environment
<b>Principle 7</b>	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
<b>Principle 8</b>	Businesses should promote inclusive growth and equitable development
<b>Principle 9</b>	Businesses should engage with and provide value to their consumers in a responsible manner

## Section A – General Disclosures

### Details

1.	Corporate Identity Number (CIN) of the Listed Entity	L34103TN2004PLC054667
2.	Name of the company	ZF Commercial Vehicle Control Systems India Limited ('ZF CVCS')
3.	Year of incorporation	2004
4.	Registered office address	Plot No.3, (SP) III Main Road, Ambattur Industrial Estate, Chennai - 600 058.
5.	Corporate address	Plot No.3, (SP) III Main Road, Ambattur Industrial Estate, Chennai - 600 058.
6.	E-mail	<a href="mailto:cvcs.info.india@zf.com">cvcs.info.india@zf.com</a>
7.	Telephone	+91 044 4224 2000
8.	Website	<a href="https://www.zf.com/india/en/home/home.html">https://www.zf.com/india/en/home/home.html</a>
9.	Financial year for which reporting is being done	2023-2024
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited, Mumbai and BSE Limited, Mumbai
11.	Paid-up Capital	INR 948.38 Lakhs
12.	Name of contact details of the person who may be contacted in case of any queries on the BRSR Report	M. Muthulakshmi Phone: +91 44 4244 9514 E-mail: <a href="mailto:muthulakshmi.m@zf.com">muthulakshmi.m@zf.com</a>
13.	Reporting boundary	Standalone (Only for ZF CVCS India Ltd)
14.	Name of assurance provider	The report is not assured by an external assurance provider.
15.	Type of assurance obtained	Not applicable

### Products and Services

#### 16. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1.	Manufacturing of Automotive components	Air assist and full air actuation and accessories systems	76.49%
2.	Spares	Spares	12.65%
3.	Software services / Research and development / Business services	Software services / Research and development / Business services	9.11%



**17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

Sl. No.	Product/Service	NIC Code	% Of total Turnover contributed
1.	Automotive components and spares	29301	100%

**Operations**

**18. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of Manufacturing Unit(s)	Number of office(s)	Total
<b>National</b>	6	2	8
<b>International</b>	* ZF CVCS does not have any international locations		

The Company's manufacturing locations are located in:

- i. Chennai: Plot No. 3, (SP) III Main Road, Ambattur Industrial Estate, Chennai 600 058
- ii. Jharkhand: Large Sector, Adityapur Industrial Area, Gamharia, Seraikella-Kharsawan District, Jharkhand 832 108
- iii. Mahindra World City: Unit - 1 & Unit - 2 at: Plot No. AA8, Central Avenue, Auto Ancillary SEZ, Mahindra World City, Natham Sub-Post, Chengalpet, Kancheepuram District 603 002
- iv. Pantnagar: Plot No.11, Sector 4, SIDCUL, IIE Pantnagar, Udham Singh Nagar, Uttarakhand - 263 153
- v. Lucknow: KH 159-162, 164 Village Dhakauli Nawabganj, Barabanki Dewa Road, Somaiya Nagar, Barabanki, Lucknow, Uttar Pradesh 225 123
- vi. Oragadam: Plot C10&C11, SIPCOT Industrial Park Phase 2, Vaipur B-Block, Oragadam, Kancheepuram District PIN-602 105

The Company has its ZF IT Center India and Technology Center Chennai situated at Porur, Chennai

**19. Markets served by the entity:**

The company operates in the following markets mentioned below:

**a. Number of locations**

Location	Number
<b>National</b> (No. of States)	The Company operates across 28 states and 8 union territories.
<b>International</b> (No. of Countries)	We export to 15 countries across the Americas, Europe and Africa.

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

37.86%

**c. A brief on types of customers**

The Company deals with multiple segments and categories namely Automotive Original Equipment Manufacturer (OEMs), distributors, government agencies and retailers.

## Employees

### 20. Details as at the end of Financial Year:

#### a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Employees</b>						
1.	Permanent (D)	1902	1581	83%	321	17%
2.	Other than Permanent (E)	-	-	-	-	-
3.	<b>Total employees (D + E)</b>	1902	1581	83%	321	17%
<b>Workers</b>						
4.	Permanent (F)	448	442	99%	6	1%
5.	Other than Permanent(G)	2330	2019	87%	311	13%
6.	<b>Total workers (F + G)</b>	2778	2461	89%	317	11%

#### b. Differently abled Employees and workers:

<b>Differently abled employees</b>						
S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (D)	1	0	0	1	100%
2.	Other than Permanent (E)	-	-	-	-	-
3.	<b>Total differently abled employees</b>	1	0	0	1	100%
<b>Differently abled workers</b>						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent(G)	9	7	78%	2	22%
6.	<b>Total differently abled workers (F + G)</b>	9	7	78%	2	22%

### 21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	2	28.57 %
Key Management Personnel	3	2	66.67 %

### 22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12%	2%	14%	12%	2%	14%	6.6%	1%	7.6%
Permanent Workers	1%	0%	1%	1%	0%	1%	2%	0%	2%

## Holding, subsidiary and associate companies (including joint ventures)

### 23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	ZF Friedrichshafen AG	Ultimate holding company	75%	No
2	WABCO Asia Pvt Ltd, Singapore	Holding company	75%	
3	ZF CVCS Manufacturing India Pvt Ltd	Wholly owned subsidiary	100%	



## CSR

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes  
(ii) Turnover (in Rs.) – 3783.71 Cr.  
(iii) Net worth (in Rs.) – 2788.65 Cr.

## Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes#	2	2	All complaints have been duly addressed and resolved	1	1	All complaints have been duly addressed and resolved
Employees and workers	Yes	Nil	Nil	-	Nil	Nil	-
Customers	Yes <sup>§</sup>	Nil	Nil	-	Nil	Nil	-
Value Chain Partners	Yes*	Nil	Nil	-	1	1	-
Other (please specify)	-	-	-	-	-	-	-

### Note:

#### \*Whistle blower policy:

The Whistle blower mechanism provides a platform enabling employees, trainees, directors and Vendors of the Company, to report genuine concerns, unethical behaviour, actual or suspected fraud, violation of Company's Insider Trading Code, any unlawful act or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of the whistle blower and also provides for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases or Chief Ethics Officer of the Company as the case may be to report any concerns or unethical activities. Further individual policies by and large prescribe grievance redressal mechanisms for the concerned stakeholders.

Weblink: [https://www.zf.com/master/media/corporate/m\\_zf\\_com/company/bonds\\_relations\\_/wabco\\_india\\_ir/18\\_policies\\_and\\_code\\_of\\_conduct/05-WABCO-India-Whistle-Blower-Policy.pdf](https://www.zf.com/master/media/corporate/m_zf_com/company/bonds_relations_/wabco_india_ir/18_policies_and_code_of_conduct/05-WABCO-India-Whistle-Blower-Policy.pdf)

<sup>§</sup>Annual Customer satisfaction survey for collating their feedback.

<sup>#</sup>Mechanism in place such as SEBI SCORES platform, stock exchanges. [https://www.zf.com/mobile/en/company/investor\\_relations/zf\\_cv\\_india\\_investor\\_relations/zf\\_cv\\_india\\_ir.html](https://www.zf.com/mobile/en/company/investor_relations/zf_cv_india_investor_relations/zf_cv_india_ir.html)

## 26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Identifying and classifying the Environmental, Social, Economic and Governance topics material is vital to our business and our internal and external stakeholders. In FY 2022-23, we conducted an elaborate materiality assessment to identify, understand and prioritize our material topics that directly or indirectly impacted our organization and operations in the ESG space. This analysis, aided us in focusing on the most critical and relevant sustainability issues for our external and internal stakeholders and strategic partners, aligning with our goals and targets.

The approach, which weighed on the stakeholder inputs, both external and internal, is seen as a balanced and well-rounded methodology to arrive at the topic most critical to the organization. Key stakeholder groups important to the organization were identified and surveys were conducted, incorporating ESG-related criteria. In addition, we also performed peer-benchmarking and analyzed various ESG Rating agencies and standards within our sector to identify the specific materiality topics of importance to us. External Stakeholders groups included our customers, suppliers, investors and community representatives, while the Internal Stakeholder groups were employees across various levels and departments. We designed comprehensive surveys that addressed a wide range of ESG-related topics such as environmental factors, social accountability, ethical and transparent governance and economic performance. These surveys were tailored to gather perceptions specific to each stakeholder groups understanding and expectations. Once the surveys ended, we analyzed the data to identify the material topics. These findings were then plotted in a materiality matrix, visually illustrating the importance and impact of each material topic. This matrix helped us order and classify each issue into high, medium, and low priority categories. This ESG materiality matrix was presented by the senior management to the Board of Directors, bringing into the fore the key ESG issues based on the stakeholder participation and strategic priorities. Following a thorough review and discussion the board finalized the material topics, ensuring they accurately sum up the company's impact and purpose.

The understanding and prioritizing of the issues significant to us helped us in establishing our ESG goals and targets and utilize resources prudently and reinforce our long-term value. This in-depth understanding of our material topics aided us to set specific and impactful targets that effectively addressed the most relevant concerns for our stakeholders and business operations. Overall, a comprehensive materiality assessment involving surveys and interviews of both external and internal stakeholders allowed us to take informed decisions related to our sustainability strategy and helped our target-setting process. This ensured that our ESG initiatives were in line with our stakeholder expectations and industry best practices leading to significant quantifiable progress and positive outcomes in our sustainability journey.

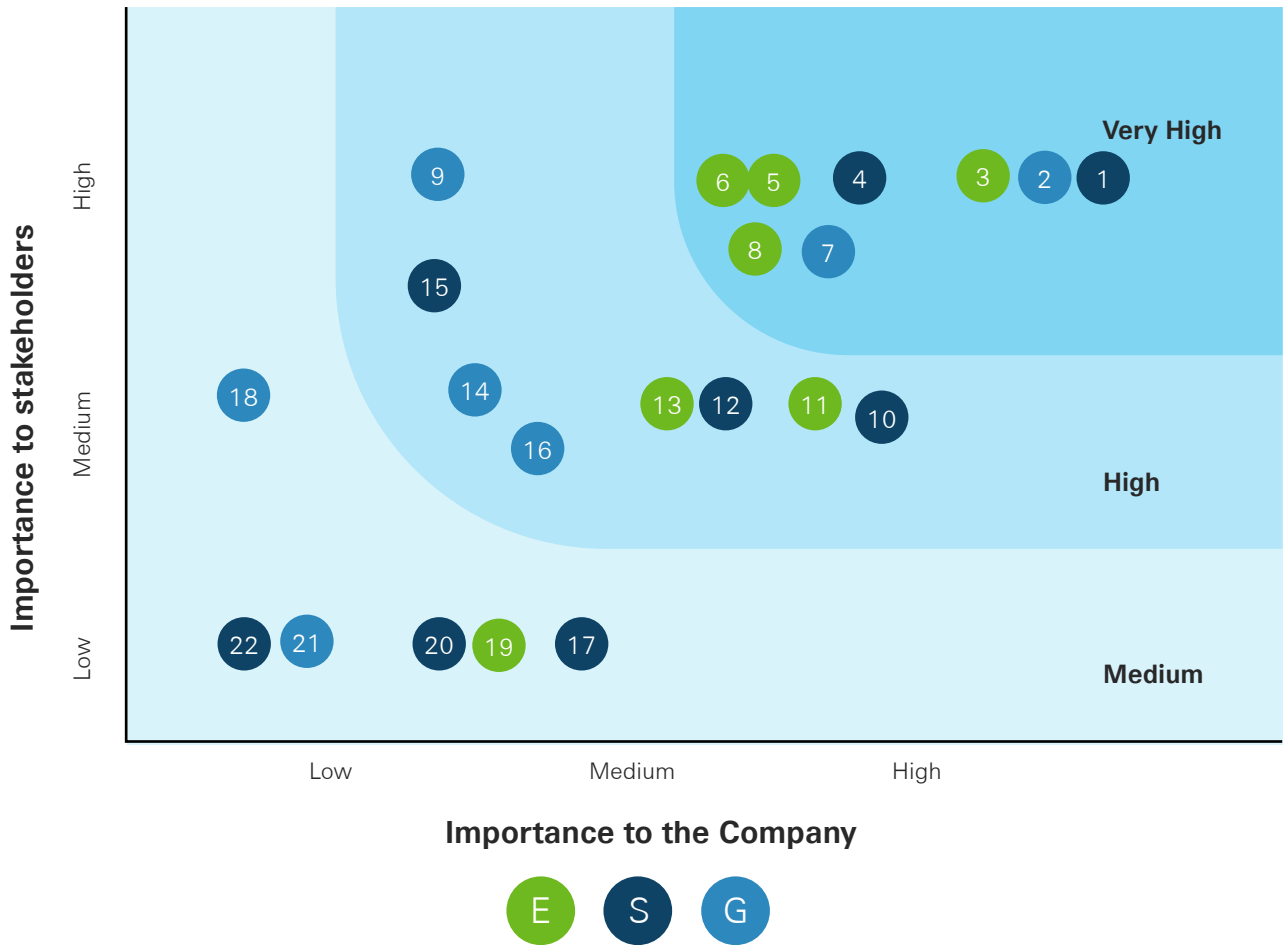
S. No.	Material identified issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Health & Safety	R	As an OEM organization, we accord top priority to Occupational Health and Safety and have zero tolerance towards any incidences related to it. Our goal is to build an accident-free organisation, so that our employees can work comfortably in a safe and healthy environment. The exposure of employees into the risk area makes them vulnerable to adverse incidents.	The organization provides periodic safety trainings to promote employee wellbeing and to ensure safety at the workplace. The Company, as part of Environment, Health & Safety management system, has introduced SHE FMEA (Safety, Health & Environment Failure Mode and Effect analysis). SHE FMEA is a methodology that identifies hazard and assess risk and is adopted to cover all activities & processes for the routine and non-routine activities in normal, exceptional & emergency situations and to identify the failure mode with respect to EHS. It also addresses the gaps because it is a quantitative risk assessment methodology.	Negative



S. No.	Material identified issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Ethical Business Practices	O	Ethical business practices form the core of our business. The company's code of conduct clearly states the necessary compliance requirements and guidelines for internal stakeholders to perform the duties with highest standard of integrity and accountability.	<ul style="list-style-type: none"> <li>Annual employee and director certification with the Code of Conduct</li> <li>Annual Ethics Training program</li> <li>Resolution of employee or third party complaints via Ethics Council investigations</li> <li>FCPA audits are periodically conducted at sites to determine compliance with applicable anti-bribery regulations</li> <li>Quarterly representations during global financial Audit</li> </ul>	Negative
3	Energy Management	O	Diligent Energy Management in all usage areas will enable reduction in energy costs and helps to conduct business in an efficient and sustainable manner.	Energy mapping in all areas and 8% energy savings in every year can be achieved by implementing the improvements.	Positive
4	Risk Management	O	Risk Management aids in identification, evaluation and mapping the risk based on severity to prevent, control and mitigate through means of properly defined framework.	The Board has constituted a Risk Management Committee to review the aspects of risk management periodically, to ensure that executive management reviews and controls risk through means of a properly defined framework. There are 52 potential risks identified and mitigation measures are periodically checked by the internal audit team and are communicated to the Board of Directors.	Negative
5	Water Stewardship	O	Water is a critical element in our operations and its seen as an opportunity to judiciously use our water resources and minimize our water costs.	We are in the process of identifying, monitoring and logging our water consumption. We are looking to implement various measures and strategies to reduce our yearly consumption of water by 2% from our current consumption	Negative

S. No.	Material identified issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Emissions Management	O	The organization is committed towards reducing its corporate carbon footprint and aims to achieve this by reduction and substitution. It is currently in the process of evaluating their emissions and works to adhere to the national and international goals of reducing carbon emissions	Energy Efficiency and avoidance of energy consumption are our top priority. A secondary focus is the transformation of energy consumption from fossil fuels to renewable resources, or a corresponding technology shift.	Positive
7	Labour Practices and D&I	R	Labour Practices and D&I are fundamental to the success of the organization. Unrest in workforce can lead to disruption in the operations creating financial impacts. Additionally, companies infrastructure and other resources are prone to risk as a consequence of sabotage or criminal act.	There are periodic meetings held between the Union members and the site leaders. Weekly call is also arranged between the Site HR team and the Central team involving HR leader for operations. Monthly HR reviews are held which covers labour relations aspects, chaired by the India HR Leader.  Further, to build a more inclusive business we have taken a target to improve our gender diversity to have 30% women across all our manufacturing sites by 2025. As a step closer to enabling this, the company has hired 70% women candidates of the total new hires from institutional hiring in the current financial year and have revised strategies focused on enabling diversity hiring .	Negative
8	Waste Management	R	Improper handling of the hazardous substance can result in deterioration of natural resources and environment. Ethical, reputational and legal risks arise owing to the adverse impacts on the flora and fauna caused by the ecosystem damage.	All manufacturing sites are ISO 14001 certified (environmental certification) for compliance. Hazardous waste is packed, stored in dedicated area and disposed in safe manner through government authorized agencies	Negative





## Material issues for the Company

### Very High

1. Employee Health & Safety
2. Ethical Business practices
3. Energy Management
4. Risk Management
5. Water Stewardship
6. Emissions Management
7. Labour practices and D&I
8. Waste Management

### Medium

15. Supply Chain Mangement
16. Customer Privacy
17. Biodiversity & Land usage
18. Community Relations
19. Opportunities in green building
20. Board structure & management
21. Responsible invesment
22. Customer Management

### High

9. Employee Engagement & talent development
10. Anti-competitive behaviour
11. Opportunities in clean technology
12. Policy Influence
13. Climate change vulnerability
14. Responsible Sourcing

## Section B – Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements of administering responsible activity.

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

<b>Principle 1</b>	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
<b>Principle 2</b>	Businesses should provide goods and services in a manner that is sustainable and safe
<b>Principle 3</b>	Businesses should respect and promote the well-being of all employees, including those in their value chains
<b>Principle 4</b>	Businesses should respect the interests of and be responsive to all its stakeholders
<b>Principle 5</b>	Businesses should respect and promote human rights
<b>Principle 6</b>	Businesses should respect and make efforts to protect and restore the environment
<b>Principle 7</b>	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
<b>Principle 8</b>	Businesses should promote inclusive growth and equitable development
<b>Principle 9</b>	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and Management Disclosures</b>									
<b>1. a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>b) Has the policy been approved by the Board? (Yes/No)</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>c) Web Link of the Policies, if available</b>	ZF Friedrichshafen AG Group's Code of conduct policy covers the various principles of the 9 NGRBC's principles. <b>Weblink:</b> Code of Conduct: <a href="https://www.zf.com/master/media/corporate/m_zf_com/company/corporate_governance/compliance/coc_all_languages/1_ZF_Compliance_Code_of_Conduct_EN.pdf">https://www.zf.com/master/media/corporate/m_zf_com/company/corporate_governance/compliance/coc_all_languages/1_ZF_Compliance_Code_of_Conduct_EN.pdf</a> Business Partner Principles: <a href="https://www.zf.com/master/media/corporate/m_zf_com/company/corporate_governance/compliance/zf_bpc_en.pdf">https://www.zf.com/master/media/corporate/m_zf_com/company/corporate_governance/compliance/zf_bpc_en.pdf</a> <b>ZF CVCS Investor Relations:</b> <a href="https://www.zf.com/mobile/en/company/investor_relations/zf_cv_india_investor_relations/zf_cv_india_ir.html#policiesandcodeofconduct_acc_657742_0">https://www.zf.com/mobile/en/company/investor_relations/zf_cv_india_investor_relations/zf_cv_india_ir.html#policiesandcodeofconduct_acc_657742_0</a>								
<b>2. Whether the entity has translated the policy into procedures. (Yes / No)</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>3. Do the enlisted policies on sustainability extend to your value chain partners? (Yes/No)</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y



<p><b>4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</b></p>	<p>The Company has installed product safety management systems to ensure the safety characteristics 1 and 2 part of International Automotive Task Force (IATF) 16949 are met.</p> <p>ISO 45001:2018 certified (Occupational Health and Safety): All Manufacturing Facilities except Oragadam</p> <p>ISO 14001:2015 certified (Environment Management System): All Manufacturing Facilities except Oragadam</p> <p>ISO 50001:2015 certified (Energy Management System): Manufacturing facilities in Chennai, Jharkhand and Lucknow</p> <p>The Company is also ISO 27001 to safeguard organisation data against security threats</p>
<p><b>5. Specific commitments, goals and targets set by the entity with defined timelines, if any.</b></p>	<p>The Company has committed to be carbon neutral by 2040 and use 100% renewable energy by 2025.</p> <ul style="list-style-type: none"> <li>» Zero Accident Commitment</li> <li>» To achieve carbon neutrality the company will aim to reduce its Scope 1 &amp; 2 emissions.</li> <li>» Commitment to increase our use of Renewable energy by 5% Year on Year from the baseline year of 2019.</li> <li>» Commitment to reduce our water consumption at water stressed areas by 2% YoY and all the other locations by 1% from the baseline year 2019</li> <li>» Reduce waste by 5% Year on Year from the baseline year of 2019</li> </ul>
<p><b>6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.</b></p>	<p>The organization has made significant progress towards its commitment of adopting renewable means of energy by increased solar energy usage. This has enabled us to increase our consumption of renewable energy from 14% to 45%.</p> <p>As a result of our well-rounded energy efficiency initiatives, we have been able to conserve 15.2% of energy in the current reporting period.</p> <p>To improve waste management at our plants, we have implemented Zero waste to landfill and incineration at our Ambattur plant and Mahindra World City Plants.</p> <p><i>The Company intends to continuously monitor the performance against specific commitments set out above and report in the forthcoming years against those targets.</i></p>
<p><b>Governance Leadership and Oversight</b></p>	
<p><b>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</b></p>	
<p>Please Refer page seven</p>	
<p><b>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b></p>	<p>The Company monitors the implementation of the business responsibility policies through a leadership team chaired by the Managing Director. Regular discussions are conducted to discuss the Environment, Social and Governance aspects</p>
<p><b>9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</b></p>	<p>Yes, the Company has a leadership team responsible for decision making on sustainability related topics. The team periodically discusses, reviews the issues and monitors the action plan. The team is chaired by the Managing Director along with the functional heads.</p> <p>Further the Risk management committee of the company is entrusted with the assessment of ESG risks and opportunities on periodic manner.</p>

**Policy and management processes****10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually (A)/ Half yearly(H)/ Quarterly(Q)/ Monthly (M) / Weekly(W))								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	H	A	M	Q	Q	M	A	W	M
Compliance with statutory requirements of relevance to the principles and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	H	A	M	Q	Q	M	A	W	M

**11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.**

The internal audit team at the company conducts periodic reviews of the company policies.

Some policies e.g. Health and Safety and Quality are subject to both internal and external audits as a mandate for certification process (ISO 45001, ISO 14001, ISO 50001, etc.) to evaluate the ideal working of the policies.

The certification process was carried out by DNV which is an accredited third-party certification body. No independent assessment of policies has been completed as yet.

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/ No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/ No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									



## Section C – Principle Wise Performance Disclosure

### Principle 1 – Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable

ZF as a company earned the recognition and trust of its Products and services, compliance, and ethical corporate governance. The intention is to carry on conducting moral business with integrity and transparency. The ZF Code of Conduct is a crucial component in promoting ethical and responsible behavior among employees. It offers direction on principles of morally upright behavior in daily operations and when interacting with business partners. All suppliers and service providers are required under ZF’s Business Partner Principles to pledge to abide by all applicable laws and regulations wherever in the world. It is imperative for suppliers and service providers to guarantee the protection of human rights and dignity across all business operations.

#### SDG Linkages



#### Essential Indicators

##### 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of directors	7	During the year, the Board of Directors of the organisation spent approximately 30 hours on various familiarisation programmes comprising Policy formation & Policy Deployment, business, regulations, economy and environmental, social and governance parameters, Sustainability in Co2 emission control. In addition, a monthly Town Hall Meeting held with Managing Director, KMPs & Employees to share the developments in the business and future goals.	100%
Key managerial personnel	4	During the year, KMPs of the organisation spent approximately 30 hours on various familiarisation programmes comprising Policy formation & Policy Deployment, business, regulations, economy and environmental, social and governance parameters, Sustainability in Co2 emission control. In addition, a monthly Town Hall Meeting held with all the board members, KMPs & Employees to share the developments in the business and future goals.	100%
Employees other than BoD and KMPs	69	All employees of the organisation undergo various training programmes throughout the year. Owing to the pandemic, during the year, most trainings happened through blended learning which entailed virtual classroom initiatives, along with e-learning modules. Various key trainings were undertaken during the year such as: <ul style="list-style-type: none"> <li>» Prevention of Sexual Harassment at the Workplace,</li> <li>» Code of Conduct,</li> <li>» Emotional Stability &amp; Wellness</li> <li>» ZF Office 5S Training</li> <li>» 7 Step lean Methodology</li> <li>» JH Awareness training</li> <li>» Product Knowledge - Basic and Advanced</li> <li>» Low-Cost Automation</li> <li>» LOTO Awareness</li> <li>» SPC</li> <li>» FMEA</li> <li>» OS &amp; QCPC</li> </ul>	100%

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
		<ul style="list-style-type: none"> <li>» Internal Auditor Training Program ISO14001: 2015, ISO 45001:2008</li> <li>» MSA</li> <li>» Bottleneck Change Management</li> <li>» Training on 7QC Tools</li> <li>» Leadership Initiative Program</li> <li>» Sustainability In Co2 Emission Control</li> </ul> <p>Other trainings included induction programmes for new recruits, leadership training and modules on soft skills, programmes on mental and physical well-being, amongst several others. Total training man days per employee: 12.0</p>	
Workers	75	<p>For workmen, On the job training as well as off job trainings were given in various topics such as</p> <ul style="list-style-type: none"> <li>» Product Knowledge</li> <li>» Awareness 5S Audit</li> <li>» Awareness on Quality Defects</li> <li>» Waste Management</li> <li>» QMS</li> <li>» TPM</li> <li>» TQM</li> <li>» PDI Operators Training</li> <li>» Lean Principles (Strengthening Shop Floor Activities)</li> <li>» Awareness on SHE</li> <li>» Awareness on ZF PS</li> <li>» Awareness on Q Prime</li> <li>» 7 QC Tools</li> </ul>	100%

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agency/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agency/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision are preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Nil	Nil



**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.**

Yes, ZF Group Code of Conduct has covered anti-corruption or anti bribery. Weblink: ZF Group Compliance Code Of Conduct

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**

	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

There have been no complaints against our BOD, KMPs, Employees and Workers.

**6. Details of complaints with regard to conflict of interest:**

	FY 2023-24	FY 2022-23
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

	FY 2023-24	FY 2022-23
Number of days of accounts payables	69	60

**9. Openness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses * as % of total purchases	19.93%	17.29%
	b. Number of trading houses where purchases are made from	186	175
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	48.61%	55.02%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	16%	49%
	b. Number of dealers / distributors to whom sales are made	350	125
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	24%	36%

Parameter	Metrics	FY 2023-24	FY 2022-23
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	5.7%	4.7%
	b. Sales (Sales to related parties / Total Sales)	24.6%	29.1%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances )	29.8%	0%
	d. Investments (Investments in related parties / Total Investments made)	36.4%	100%

\*Trading Houses refer to suppliers who act as traders and are involved in import of commodities from various countries

## Leadership Indicators

### 1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
12	Various topics are covered under the training as follows, Heat treatment assessment systems, Reverse Failure Mode and Effects Analysis Overview, Digital Technical Workbook, Preparation for Launch Readiness, ZF Product and Process Change Management, Supply On Project Management, Cleanliness achieving technique, 8D & Problem-solving Techniques, AIAG VDA FMEA Overview.	100%

### 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. The Company has processes in place to avoid / manage conflict of interests involving members of the Board. The Code of Conduct policy also has a mention about the actual or potential Conflict of Interest specifically of the Board Members and recommends the Directors or senior management personnel involved in any conflict or potential conflict situations to exclude themselves from any discussion or decision relating thereto.

Further signed declarations and commitment are received from Board of Directors and Senior Management personnel for not engaging with any activities or interests that may create conflict with company's interest on an annual basis.





## Principle 2 – Businesses should provide goods and services in a manner that is sustainable and safe

By providing our clients with exceptional products and services that increase vehicle efficiency and safety, the company hopes to make a positive impact in the lives of people and the environment. The company manufactures and distributes conventional braking products, advanced braking systems, and other related air assisted products and systems that help reduce environmental pollution, improve road safety, and save energy in medium and heavy commercial vehicles.

### SDG Linkages



### Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively**

	FY 24 (Current financial year)	FY 23 (Previous financial year)	Details of improvements in environmental and social impacts
R&D	0.7%	-	Key initiatives both in our R&D operations and product improvement from a perspective using alternative fuels and efficiency optimisation were carried out in the current financial year
Capex	0.4%	3.3%	Please refer to our energy efficiency improvement effort in Principle 6 Essential Indicator 8

#### 2.a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. The Organization promotes sustainable sourcing and continually works towards increasing the value of purchases made from such suppliers. To support sustainable sourcing, we encourage our suppliers and vendors to adopt suitable practices in their operations. Integrated supply chain operations ensure sustainable and best use of available resources. Further, Business Partner Principles (ZF Group Business Partner Principles) covers specific guidelines that are agreed to by our suppliers as part of terms of business.

#### b. If yes, what percentage of inputs were sourced sustainably?

33.16% (by input value material sourced) from the perspective of ZF sustainable sourcing standards.

#### 3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The Company has a robust design to increase the recyclability of its products and minimise the risk to the environment. The ZF group's environmental targets consider life cycle aspects of the products during its environmental improvements. The Company evaluates recycling aspects in the product design, to ensure there is efficient recycling of materials that are used in operations.

#### 4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility (EPR) is applicable to the Company's activities as the Company uses plastics for packaging purposes. Further the company has registered as the category of importer of plastic. Further the company has registered as the category of importer and brand owner of plastics. The waste collection plan is in line with the EPR plan submitted to Central Pollution Control Board.

## Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency	Results communicated in public domain	If yes, provide the web-link.
Nil						

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Nil		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 24 (Current financial year)	FY 23 (Previous financial year)
Aluminium	90%	90%
Iron Castings	50%	50%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Waste Details	FY 24 (Current financial year)			FY 23 (Previous financial year)		
	Reused	Recycled	Safely disposed	Reused	Recycled	Safely disposed
Plastics (including packaging)	Nil	Nil	Nil	Nil	Nil	Nil
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous waste	Nil	Nil	Nil	Nil	Nil	Nil
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Packaging relating to actuation systems	90% (The Company has shifted from single time use cardboard cartons to collapsible metal-based cartons including Air assist and full air for packaging. Such collapsible metal-based cartons are reclaimed from the customers.)



## Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

The company demonstrates a robust commitment to respecting and promoting the well-being of all employees including those within its extended value chain. They implemented comprehensive health and safety protocols to ensure a secure and hazard free workplace. In line with its commitment to fair labor practices, the company strictly adheres to labor laws and regulations ensuring fair wages, reasonable working hours, and the elimination of forced or child labor. The company promotes diversity and inclusion implementing policies that ensure equal opportunities for all employees regardless of gender race or background. Furthermore, the company provides various welfare programs aimed at improving the quality of life for its employees. Company covers employees and workers under various insurance benefits like Mediclaim Policy, Group personal Accidents policy & Employee Deposit linked insurance scheme to protect employee's family live hood. The company have employee representing committees like Ethics, POSH, Help desk, Welfare committee, Canteen Committee, Sports Committee to resolve grievance as per policies and certified standing orders of the company.

### SDG Linkages



### Essential Indicators

#### 1.a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	1581	1581	100%	1581	100%	0	-	1581	100%	1581	100%
Female	321	321	100%	321	100%	321	100%	0	-	321	100%
<b>Total</b>	<b>1902</b>	<b>1902</b>	<b>100%</b>	<b>1902</b>	<b>100%</b>	<b>321</b>	<b>15%</b>	<b>1581</b>	<b>85%</b>	<b>1902</b>	<b>100%</b>
<b>Other than Permanent employees</b>											
Male	0	0	-	0	-	0	-	0	-	0	-
Female	0	0	-	0	-	0	-	0	-	0	-
<b>Total</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>

#### b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male	442	442	100%	442	100%	0	-	442	100%	442	100%
Female	6	6	100%	6	100%	6	100%	0	-	6	100%
<b>Total</b>	<b>448</b>	<b>448</b>	<b>100%</b>	<b>448</b>	<b>100%</b>	<b>6</b>	<b>100%</b>	<b>442</b>	<b>100%</b>	<b>448</b>	<b>100%</b>
<b>Other than Permanent workers</b>											
Male	2019	2019	100%	2019	100%	0	-	0	-	0	-
Female	311	311	100%	311	100%	311	100%	0	-	0	-
<b>Total</b>	<b>2330</b>	<b>2330</b>	<b>100%</b>	<b>2330</b>	<b>100%</b>	<b>311</b>	<b>100%</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>

#### C. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.34%	0.86%

## 2. Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	50%	Yes	100%	40%	Yes
ESI	NA	50%	Yes	NA	49%	Yes
Others – please specify	NA	NA	NA	NA	NA	NA

## 3. Accessibility of workplaces

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

The Company strongly believes in equal and fair opportunities to disabled persons. Further, the company commits to assessing the requirements and intends to develop the premises/ offices accessible to differently abled employees and workers with modifications/ constructions compliant with safety regulations and emergency response

## 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

The Company believes that diversity and inclusion enhance our creativity, increase our innovation power, and are key to business success. We foster a culture that celebrates differences and promotes individuality, regardless of gender, age, ethnic background, sexual orientation, or physical and neurodiversity. The Company provides equal opportunities to all its employees and to all eligible applicants for employment in the Company. It does not unfairly discriminate on any ground including race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability or any other category protected by applicable law

Weblink: [https://www.zf.com/master/media/corporate/m\\_zf\\_com/company/corporate\\_governance/compliance/coc\\_all\\_languages/1\\_ZF\\_Compliance\\_Code\\_of\\_Conduct\\_EN.pdf](https://www.zf.com/master/media/corporate/m_zf_com/company/corporate_governance/compliance/coc_all_languages/1_ZF_Compliance_Code_of_Conduct_EN.pdf)

## 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate %	Retention rate %	Return to work rate %	Retention rate %
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

## 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	(If Yes, then give details of the mechanism in brief)
Permanent workers	Yes. We have employee representing committee like Ethics, POSH, HR help desk, Welfare committee, Canteen Committee, Sports Committee to resolve grievance as per policies and certified standing orders of the company.
Other than permanent workers	
Permanent employees	
Other than permanent employees	



**7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:**

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (B)	% (B/A)	Total employees/ workers in the respective category (C)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>						
Male						NA*
Female						
Total						
<b>Total Permanent Workers</b>						
Male	442	442	100%	451	451	100%
Female	6	6	100%	6	6	100%
Total	448	448	100%	457	457	100%

\* Not applicable to permanent employees as they are not part of Union

**8. Details of training given to employees and workers:**

Category	Total (A)	FY 2023-24				Total (D)	FY 2022-23			
		On health and safety measures		On skill upgradation			On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No.(F)	% (F / D)
<b>Employees</b>										
Male	1581	1581	100%	1549	98%	1703	1703	100%	1672	98%
Female	321	321	100%	309	96%	257	257	100%	244	95%
Total	1902	1902	100%	1864	98%	1960	1960	100%	1916	98%
<b>Workers</b>										
Male	2468	2468	100%	2419	98%	463	463	100%	454	98%
Female	319	319	100%	316	99%	6	6	100%	6	100%
Total	2787	2787	100%	2731	98%	469	469	100%	460	98%

Note: The above data is for permanent employees and workers.

**9. Details of performance and career development reviews of employees and workers:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	1581	1581	100%	1467	1467	100%
Female	321	321	100%	257	245	100%
Total	1902	1902	100%	1724	1724	100%
<b>Workers</b>						
Male	442	442	100%	451	451	100%
Female	6	6	100%	6	6	100%
Total	448	448	100%	457	457	100%

Note: The above data is for permanent employees and workers.

## 10. Health and safety management system:

### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, the Company has health and safety management systems as per ISO 45001, the objective of Occupational Health and Safety Management System is reduction of occupational injuries and promoting physical and mental well-being, across all plants covering Design, Development and manufacturing activities.

### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

All ZF locations manage their EHS (Environment, Health & Safety) activities in alignment with the global EHA management system. The EHS management system focuses on preventing and minimizing environmental, health and safety risks. The Company, as part of EHS Health management system has SHE FMEA (Safety, Health & Environment Failure mode analysis) as risk assessment methodology. SHE FMEA is a methodology that identifies hazard and assess risk and is adopted to cover all activities & processes for the routine and non-routine activities in normal, abnormal & emergency and to identify the failure mode with respect to EHS. It also addresses the gaps because it is a quantitative risk assessment methodology.

### c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes, the Company has the Incident reporting system with 12 steps. The employees are empowered to report potential safety hazards through green fugai tag (safety abnormality tag). The supervisor will upload the green fugai tag (safety abnormality tag) into an online portal and the respective team will address it. Employees also participate in the Safety suggestion scheme, and they are rewarded for the participation. They also participate in the Quality circle to identify the EHS issues and help improve it.

### d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

Yes, the Company has in-house Occupational health centres in all plants. There are full time medical officers in Ambattur & Mahindra City site locations and they can avail services and medicines at free of cost.

## 11. Details of safety related incidents, in the following format:

Safety incident/number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one-million-person hour worked)	Employees*	0	0
	Workers	0.24	0.12
Total recordable work-related injuries	Employees	0	0
	Workers	2	1
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

## 12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

All employees engaged in production are mandated to complete EHS Induction, risk assessment (SHE FMEA.) This financial year, as a proactive measure, The Company introduced another mandatory EHS induction training to empower employees to report incidents and provide suggestions for improvement through safety kaizens on the shopfloor. Ergonomic improvements with the support of engineering controls were implemented across high and medium risk jobs resulting in improved productivity and operator morale. This was aimed at reducing employee fatigue. For example, medium fatigue stations were identified for 99.5% low risk jobs.



The Company has also implemented ISO 14001 for Environmental Management system and ISO 45001 for Occupational health and safety management to ensure our workplaces are safer and healthy. This was rolled out in a systematic manner with a deep understanding of EMS of the scope and efficiency of the EMS. January to March was dedicated to EHS in an effort to enhance safety systems and raise EHS amongst employees. During the year, based on the theme "REACH Zero" to improve a safe and healthy for sustainable workplace.

Safety & Health awareness programs were organized with the quote 'Safety should start from home' at the Ambattur site for employees and family members to increase awareness on themes like safety at home, happy home and prevention of lifestyle diseases among women & women security.

This was followed by competitions organised for employee spouses and kids related to the theme which received an overwhelming response. Approximately 500 family members participated in this event which was followed by a health camp organised for the family members.

**13. Number of complaints on the following made by employees and workers**

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	0	0	-	0	0	-
Health & safety	0	0	-	0	0	-

**14. Assessments for the year**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working conditions	100%

All sites of ZF CVCS India were assessed by ZF Group EHS auditor. Additionally, Ambattur site, Mahindra city & Jamshedpur site were assessed for ISO 14001, ISO 45001 & ISO 50001.

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.**

All employees engaged in production are mandated to attend EHS induction and periodic training organised to ensure people are aware of safe practices. we do risk assessment (SHE FMEA) of all activities and high risk are addressed with mitigation measures. This financial year, as a proactive measure, The Company introduced an another mandatory EHS induction training to empower employees to report incidents and provide suggestions for improvement through safety kaizens on the shopfloor. Ergonomic improvements with the support of engineering controls were implemented across high and medium risk jobs resulting in improved productivity and operator morale. This was aimed at reducing employee fatigue. For example, medium fatigue stations were identified for 99.5% low risk jobs. The Company has also implemented ISO 14001 for Environmental Management system and ISO 45001 for Occupational health and safety management to ensure our workplaces are safer and healthy. This was rolled out in a systematic manner with a deep understanding of EMS of the scope and efficiency of the EMS. January to March was dedicated to 'Safety to enhance safety systems and raise safety awareness amongst employees. During the year, based on the theme "REACH Zero". Safety & Health awareness programs were organized with the quote 'Safety should start from home' at the Ambattur site for employees and family members to increase awareness on themes like safety at home, happy home and prevention of lifestyle diseases among women & women security. This was followed by competitions organised for employee spouses and kids related to the theme which received an overwhelming response. Approximately 500 family members participated in this event which was followed by a health camp organised for the family members.

## Leadership Indicators

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes. Company covers employees and workers under various insurance benefits like Mediclaim Policy, Group personal Accidents policy & Employee Deposit linked insurance scheme to protect employee's family livelihood.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

As a company, we have no comprise in meeting and ensuring all statutory and legal requirements without any gaps. We have strong tools and review mechanism in place to ensure 100% compliances. Periodic review are done by Senior Management.

**3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 24 (Current financial year)	FY 23 (Previous financial year)	FY 24 (Current financial year)	FY 23 (Previous financial year)
Employees	0	1	0	0
Workers	0	0	0	0

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes. Company provides transition assistance programs through an external vendor / professional consultants to support employees termination due to performance gaps and other than integrity grounds.

**5. Details on assessment of value chain partner:**

Details on assessment of value chain partners:	% of Tier 1 Suppliers and Customers (by value of business done with such partners) that were assessed
Health and safety practices	% of vendor -33.16(No physical assessment, but ESG self-assessment declaration made by supply chain partners where EHS is covered)
Working Conditions	% of vendor -33.16(No physical assessment, but ESG self-assessment declaration made by supply chain partners where EHS is covered)

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

None





## Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

The Company is a part of the Commercial Vehicle Solutions (CVS) division of the ZF Group. The vision of the company is to help shape the future of commercial transport systems in India. By leveraging synergies with ZF group the Company is uniquely positioned to offer the next generation of solutions and services for commercial vehicles and fleets in India and the world over. By means of its offerings, the Company aims to enhance their efficiency, safety, connectivity, intelligence, and automation. The company uses its capacity to innovate, integrate, and advance CV vehicle controls systems under the auspices of ZF's Vision for Next Generation Mobility. It also sets the pace to address the issues facing India's commercial transportation sector, generating sustainable value for stakeholders, customers, and employees. Through the utilization of commercial vehicle intelligence, the Company supports ZF Group's corporate strategy aimed at 'Next Generation Mobility'.

### SDG Linkages



### Essential Indicators

#### 1. Describe the processes for identifying key stakeholder groups of the entity.

A Core Stakeholder is any individual or group of individuals or institutions that adds value to the business chain of the corporation or is materially affected by entity's decision. The Company is in the business of providing vehicle actuation systems for commercial vehicles and is aware that the products and services directly impact various stakeholders which includes users of commercial vehicles, its vendors, customers, community at large and investors. At present, the given stakeholder groups identified have immediate impact on the operations and working of the company. At ZF CVCS, we recognize stakeholder engagement as an integral part of our operations. We strive to create long-term sustainable value for all our stakeholders including employees, customers, investors, suppliers, and communities. In order to do so, we regularly engage and collaborate with our stakeholders to develop an understanding of their needs and expectations. Thus, the company has programmes to directly interact with the stakeholders and provide value through economic returns and training to improve awareness thereby improving safety on roads and ergonomics.

#### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Intranet Portal, Senior Leader's Communication / Talks/ Forums, Town Hall briefings, Emails, Regular Employee Communication Forums	Ongoing	Employee engagement activities, Training, awareness and welfare programmes, Brand communication, Health, Safety and Engagement initiatives
Customers	No	On a need basis through multiple channels like physical, digital, etc.	Ongoing	Product quality and availability, responsiveness to needs, aftersales service, responsible guidelines / manufacturing, climate change disclosures, life cycle assessment, Business related discussions, Awareness and training programmes, workshops and seminars
Suppliers and Vendors	No	Supplier and Vendor meets, Face-to-face and electronic correspondence, Supplier Audits	Ongoing	Quality, timely delivery and payments, ESG consideration (sustainability, safety checks, compliances, ethical behaviour), ISO and OHSAS standards, collaboration and digitalisation opportunities

Stakeholder group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors / Shareholders	No	Email, Newspaper, Advertisement, Website, Annual General Meeting, shareholder meets, email, Stock Exchange (SE) intimations, investor / analysts meet / conference calls, Annual report, quarterly results and investor meetings / conferences, media releases, Company website	Ongoing	Share price appreciation, dividends, profitability and financial stability, robust ESG practices, climate change risks, cyber risks, growth prospects
Community	No	Meets (of community / local authority), community visits and projects, partnership with local charities, volunteerism, seminars / Conferences, Community surveys and consultations, CSR Initiatives, Community Events	Ongoing	Community development, Self-sustainability, Livelihood support, Disaster relief
Regulatory and government bodies	No	Strategic representation and meetings with government agencies. Representation through trade bodies	Ongoing	Obtaining permissions / licenses / clarifications/ waivers /business development approvals/vendor and logistical support /recoveries as per group requirement

## Leadership Indicators

### 1. Provide the processes for consultation between stakeholders and the board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the board.

The Company regularly interacts with key stakeholders i.e. investors, customers, suppliers, employees, etc. Engagements with the relevant stakeholders by the Company are discussed with the Board on the varying topics of economic, environmental and social issues on a regular basis. Further, various aspects of the risk related to ESG are discussed in our risk management committee.

### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

The Company believes in continuous improvement in its objective to achieve sustainability under the environment, social and governance aspects. The Company conducted a stakeholder surveys to identify material issues covering the aspects of environmental, social and governance. Based on the inputs, the Company identified key material topics as focus areas from ESG perspective to improves and revises the policies and activities to better address the key developments across the identified topic.

### 3. Provide details of instances of engagement with, and actions are taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

The Company promotes equal opportunities to the vulnerable / marginalised stakeholder groups. The Company conducts training and development camps for drivers, to promote awareness on road safety. The Company also facilitates health check-ups and supplies medical equipment to hospitals to provide health care support to marginalised communities. The Company also engages in infrastructure development for schools to upgrade the basic facilities to help enhance skill development for the vulnerable groups.



## Principle 5: Businesses should respect and promote human rights

The company is committed to respecting and promoting human rights across all aspects of its operations. The company ensures that its policies and practices are aligned with international human rights standards by creating a work environment where every individual is treated with dignity and respect and by maintaining a zero-tolerance approach to any form of harassment or forced labor. By fostering a culture of respect and accountability, the company not only upholds human rights within its own operations but also influences its entire value chain to adhere to these principles.

### SDG Linkages



### Essential Indicators

#### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	1902	1902	100%	1724	1724	100%
Other than permanent	0	0	0%	0	0	0%
Total employees	1902	1902	100%	1724	1724	100%
<b>Workers</b>						
Permanent	448	448	100%	457	457	100%
Other than permanent	2330	2330	100%	3191	3191	100%
Total workers	2778	2778	100%	3648	3648	100%

#### 2. Details of minimum wages paid to employees and workers

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
<b>Permanent</b>										
Male	1581	0	0%	1581	100%	1467	0	0%	1467	100%
Female	321	0	0%	321	100%	257	0	0%	257	100%
<b>Other than permanent</b>										
Male	0	0	-	0	-	0	0	-	0	-
Female	0	0	-	0	-	0	0	-	0	-
<b>Workers</b>										
<b>Permanent</b>										
Male	442	0	0%	442	100%	451	0	0%	451	100%
Female	6	0	0%	6	100%	6	0	0%	6	100%
<b>Other than permanent</b>										
Male	2019	0	0%	2019	100%	2901	0	0%	2901	100%
Female	311	0	0%	311	100%	290	0	0%	290	100%

**a. Details of remuneration/salary/wages**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD) Executive*	1	6,19,83,958	0	-
Key managerial personnel	2**	4,60,87,415	2@	39,95,541
Employees other than BoD and KMP	1792	12,33,825	361	8,46,774
Workers	440	4,52,808	7	4,84,143

\*The remaining Board members receive only sitting fees and commission for attending meetings of the board/ committee.

\*\* R S Rajagopal Sastry resigned from the position of Chief Financial Officer w.e.f. Close of business hours on 16<sup>th</sup> January 2024

@Sweta Agarwal appointed as Chief Financial Officer w.e.f. 10<sup>th</sup> January 2024

**b. Gross wages paid to females as % of total wages paid by the entity, in the following format**

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	13%	-*

\* Reporting requirement applicable from current financial year

**4. Do you have a focal point (individual/ committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes. Ethics Committee, Notified Factory Welfare officer & Safety officer are responsible for addressing human rights impacts and issues inside the company to employees and to public.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Yes. We have employee representing committee like Ethics, POSH, Help desk, Welfare committee, Canteen Committee, Sports Committee to resolve grievance as per policies and certified standing orders of the company.

**6. Number of complaints on the following made by employees and workers:**

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed During the year	Pending resolution at the end of year	Remarks
Sexual harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child labour	Nil	Nil	-	Nil	Nil	-
Forced labour/ Involuntary labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights-related issues	Nil	Nil	-	Nil	Nil	-

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil



**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Company has appointed representing senior and middle management employees as POSH committee with equal representation of Male and female to address and resolve issues related discrimination and harassment cases.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)- Yes**

**10. Assessments of the year**

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others	-

**11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.**

The company has detailed procedure in identifying & assessing High risk, High impacts activities & concerns to work on mitigation plan and the same has been reviewed religiously and periodically.

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

No business processes have been modified due to Human Rights as there were no grievances in the reporting period.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

No human rights due diligence has been conducted in the current reporting period.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes , the premise is accessible to differently abled visitors.

**4. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	-
Discrimination at Workplace	-
Child Labour	-
Forced Labour/Involuntary Labour	-
Wages	-
Others	-

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

No assessment has been carried out.

## Principle 6: Businesses should respect and make efforts to protect and restore the environment

The Company conducts its business as a manufacturer responsibly, ensuring compliance with legal requirements and internal standards worldwide. In the realm of environmental management, adhering to regulations is a fundamental concern. Legal developments are monitored and assessed, and measures are taken as needed at all sites to comply with local regulations.

### SDG Linkages



### Essential Indicators

The PPP conversion factor 22.88 is based on data published by World Bank for India for the year 2022 has been used across the entire principle 6 for the calculation intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) calculation.

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A) MJ	55,169,924	14,594,400
Total fuel consumption (B) MJ	-	-
Energy consumption through other sources (C) MJ	-	-
Total energy consumed from renewable sources (A+B+C) MJ	55,169,924	14,594,400
From non-renewable sources		
Total electricity consumption (D)	48,402,713	81,946,768
Total fuel consumption (E)	18,845,692	18,775,014
Energy consumption through other sources (F)	-	-
Total energy consumption (D+E+F)	67,248,405	100,721,781
Total energy consumed (A+B+C+D+E+F)	122,418,329	115,316,181
Energy intensity per rupee of turnover KJ/ Rupees (Total energy consumption/ turnover in rupees)	3.24	3.3
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	74.03	*
Energy intensity in terms of physical output Energy intensity– the relevant metric may be selected by the entity (GJ/MT)	2.26	*

\*Reporting requirement is applicable from current financial year.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assessment/ evaluation/assurance has been carried out.

#### 2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the performance, achieve, and trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any.

Not applicable.

There are no sites/facilities that have been identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.



**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	18765	19796
(iii) Third-party water (municipal water supplies)	73490	66872
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	92255	86668
Total volume of water consumption (in kilolitres)	92255	86668
Water intensity per rupee of turnover (Total water consumption/ Revenue from Operations)	24.4	25.1
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	558.9	*
Water intensity in terms of physical output	1.7	*
Water intensity (optional) – the relevant metric may be selected by the entity	-	*

\*Reporting requirement is applicable from current financial year.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assessment/ evaluation/assurance has been carried out.

**4. Provide the following details related to water discharged**

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment		
With treatment – please specify level of treatment		
(ii) To Groundwater		
No treatment		
With treatment – please specify level of treatment		
(iii) To Seawater		
No treatment		
With treatment – please specify level of treatment		
(iv) Sent to third-parties		
No treatment		
With treatment – please specify level of treatment		
(v) Others		
No treatment		
With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

All ZF CVCS plants are ZLD\* and hence there is no water discharge.

\*Zero Liquid Discharge

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assessment/ evaluation/assurance has been carried out.

##### 5. Has the entity implemented a mechanism for zero liquid discharge? If yes, provide details of its coverage and implementation.

Yes. The Company has installed wastewater treatment systems in three sites in which wastewater is generated and then it is taken into an Effluent Treatment Plant (ETP), for treatment and reuse. Rejected water that does not meet applicable reclaimed water standards after treatment is sent for evaporation. The Company also treats its Domestic wastewater (water used inside the Company's office premises) which is reused for gardening and toilet flushing purposes. The Company also ensures that no untreated water is being let into ground and drain to ensure Zero Liquid Discharge (ZLD).

##### 6. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Unit	FY 2023-24	FY 2022-23
NOx	MT	0.812	0.819
SOx	MT	BDL*	BDL*
Particulate matter (PM)	MT	0.014	0.012
Persistent organic pollutants (POP)	MT	0	-
Volatile organic compounds (VOC)	MT	0	-
Hazardous air pollutants (HAP)	MT	0	-
Others – ozone-depleting substances (HCFC - 22 or R-22)	MT	0	-

\*Below Detection Limits

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assessment/ evaluation/assurance has been carried out.

##### 7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	1817.32	1503.42
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	9546.1 <sup>#</sup>	19348.54
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO <sub>2</sub> equivalent/ INR Cr.	3	6
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjustment for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO <sub>2</sub> equivalent/ INR Cr.	68.7	*
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO <sub>2</sub> equivalent/ Metric Tonnes	0.2	*

<sup>#</sup>There is significant reduction in the Scope 2 emissions for the current FY because of the organizations initiatives to utilize more renewable sources of energy.

\*Reporting requirement is applicable from current financial year.





Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assessment/ evaluation/assurance has been carried out.

**8. Does the entity have any project related to reducing greenhouse gas emission? If Yes, then provide details.**

- » For FY 23-24 we have taken action to reduce diesel & LPG in canteen cooking in new plant Oragadam by converting into electrified kitchen.
- » We have prepared a roadmap to reduce GHG in the forthcoming years and increased the usage of renewable energy to reduce our emission intensity. In the current financial year the renewable energy consumption has increased from 14% to 40% there by reducing our Scope 2 emission.
- » We have also implemented the following energy conservation and efficiency projects:
  - ▶ Servo Motor for Grinding machine Spindles instead of VFD controlled Induction motors installed in 9 machines and Energy saved 196K units / annum.
  - ▶ Heat Pump for production washing machines instead of Electrical Heaters, implemented in 5 machines and Energy saved 72K units / annum.
  - ▶ Air Compressor Power reduced through Pneumatic Booster Circuit modification and Energy saved 120K units/ annum.
  - ▶ AHU power optimized through Electronically Commutated Fan and Energy Saved 18K units / annum.
  - ▶ Air Conditioning Energy in Vacuum Pump and Wheel Speed Sensor Assembly reduced by 22% through Energy Efficient Duct-able A/C in Ambattur Site.
  - ▶ System upgradation done in conventional CNC machines 4nos with new Energy efficient motor and reduced 204 K units per year.
  - ▶ Conventional 1000 CFM Dryer unit upgraded with energy efficient motor and Air End by that reduced 10% Air compressor energy.
  - ▶ CNC machines System upgradation with latest technologies done in 4 machines and energy consumption saved 198K units per year.
  - ▶ These measures resulted in substantial energy savings of about 10.29 lakhs units of power and cost resulting in Rs. 92.61 lakhs per annum.

**9. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
Total waste generated (in metric tonnes)		
Plastic waste (A)	198.87	119.17
E-waste (B)	0.233	6.4
Bio-medical waste (C)	0.0177	0.05066
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	119.932	48.6
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	4433.297	4175.8
Total (A+B + C + D + E + F + G + H)	4752	4350.10
Waste intensity per rupee of turnover (Total waste generated/ Revenue from Operations)	1.3	*
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	28.74	*
Waste intensity in terms of physical output	0.1	*
Waste intensity (optional) - the relevant metric may be selected by the entity	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
Category of waste		
(i) Recycled	4433.297	4301.45
(ii) Re-used	-	-

Parameter	FY 2023-24	FY 2022-23
(iii) Other recovery operations	-	-
Total	4433.297	4301.45
For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)		
Category of waste	-	-
(i) Incineration	49.215	29.3
(ii) Landfilling	69.407	15.467
(iii) Other disposal operations	-	Recyclers (Aluminium, paper, GI, Plastics)
Total	118.6	44.767

\*Reporting requirement is applicable from current financial year.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assessment/ evaluation/assurance has been carried out

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

As part of zero waste to landfill & incineration, Ambattur plant signed a contract with waste recycler to reuse our hazardous waste to cement industry co-processing and also we will extend the same to Mahindra city in the FY 24-25. Further, the Company has adopted a strong waste management system that supports the operations of the Company to properly segregate waste at source.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/clearances are required, please specify details in the following format:**

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
No locations in operation near ecological sensitives areas			

**12. Details of Environmental Impact Assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (yes/no)	Relevant Web link
Not applicable					

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (prevention and control of pollution) Act, Air (prevention and control of pollution) Act, Environment Protection Act, and rules there under (Y/N). If not, provide details of all such non-compliances:**

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
None				



## Leadership Indicators

### 1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) For each facility / plant located in areas of water stress, provide the following information:
- (ii) Name of the area: Chennai - Ambattur
- (iii) Nature of operations: Machining and assembly of braking solutions for automotive industry

	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water		18407
(ii) Groundwater		
(iii) Third party water	33235	
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)	33235	18407
Total volume of water consumption (in kilolitres)	33235	18407
Water intensity per rupee of turnover (Water consumed / turnover)	8.78	5.3
Water intensity (optional) – the relevant metric may be selected by the entity	0.6	*
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
No treatment	-	-
With treatment – please specify level of treatment	-	-
(ii) Into Groundwater		
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
No treatment	-	-
With treatment – please specify level of treatment	-	-
(v) Others		
No treatment	-	-
With treatment – please specify level of treatment	29874	-
Total water discharged (in kilolitres)	29874	-

\*Reporting requirement is applicable from current financial year.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assessment/ evaluation/assurance has been carried out.

### 2. Please provide details of total Scope 3 emissions & their intensity:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	125419	No Assessment was carried out in FY22-23
Total Scope 3 emissions per rupee of turnover	tCO <sub>2</sub> e/INR Cr.	33.15	
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	tCO <sub>2</sub> e/Metric Tonnes	2.32	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assessment by external agency has been carried out

**3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

We have ecologically sensitive areas near our manufacturing area , R&D centre and offices. No impact assessment is being carried out at this point

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives:**

S.No	Type	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Renewable energy	Group captive solar power PPA signed	5MW of solar power in equity investment model for 25 years long term contract, it supports approx. 70 lakhs unit per annum to chennai plants	Increased in renewable energy for long term - 70 lakhs unit per annum
2.	Water recycles	Water recycled and used in process	Excess gardening water is taken into RO plant and used for processing which supports water purchase reduction	15KL of water recycled per day
3.	Zero waste to landfill	Hazardous waste disposed to alternate fule purpose	Hazardous waste from process as disposed to 3 <sup>rd</sup> party and reused in cement coprocessing process.	100% of hazardous waste reused for cement coprocessing at Ambattur plant - 10 tons
4.	Energy efficiency	Improve energy efficiency in HVAC	EC+ fans installed in HVAC to improve the energy efficiency more than 15%	more than 15%

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes, the Company has Risk Assessment Process. The committee comprises of site leadership team with the process owner being the Regional Operations officer. The operating procedures involves identifying the existing processes, identify risk/ opportunities factor, analyse what are the potential effect for risk/ opportunities factor, evaluate severity, occurrence and risk number and then decide on the action to be taken and the frequency of review. Risks addressed include natural calamities, IT security risks, production related risks, supply chain related risks. The Company conducts an annual review of the complete risk assessment process in the entire operations activity.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No significant impact have been identified in the current reporting period. Various measures like Co2 reduction target, green electricity, Product Carbon Footprint calculation (PCF) are being implemented to prevent any adverse impact on the environment.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Not physically, The ESG impacts of value chain partners was covered as part of ESG assessment self-declaration.



## Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

The company publicly discloses its policy positions, advocacy activities, and the principles guiding its interactions with policymakers. This openness ensures that stakeholders are fully informed about the company’s efforts to influence public policy and the rationale behind its positions. The company also adheres to stringent compliance protocols to ensure that all advocacy activities are conducted within the legal framework and ethical guidelines. Moreover, the company is actively involved in several industry and trade associations, contributing significantly to these forums.

### SDG Linkages-



### Essential Indicators

#### 1. a. Number of affiliations with trade and industry chambers/ associations.

ZF CVCS is affiliated to the following 9 industry chambers and associations.

#### b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Confederation of Indian Industries (CII)	National
2	Automotive Components Manufacturers Association (ACCA)	National
3	Society of Automobile Engineers (SAE)	International
4	Madras Management Association (MMA)	State
5	Madras Chamber of Commerce and Industry (MCCI)	State
6	Indo-German Chamber of Commerce	International
7	Indo-American Chamber of Commerce	International
8	Quality circle forum of India	National
9	National Institute of quality & reliability	National

#### 2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
No case was filed by any stakeholder against ZF CVCS regarding unfair trade practices and anti-competitive behaviour during the financial year.		

## Leadership Indicators

### 1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by board (Annually/ half yearly/ quarterly / others – please specify)	Web-link, if available
1	ABS for Commercial Vehicles (2013)	Public event, Technology Demonstration at Test Track	No	NA	PressReader.com - Digital Newspaper & Magazine Subscriptions
2	Electronic Stability Control (ESC) - 2017	Public event, Technology launch at Test Track	No	NA	WABCO INDIA Show-cases Control Electronic Stability Control (globenewswire.com)
3	Intelligent Trailer Pro-gram ( ITP) - 2018 (to promote trailer ABS)	Public event, Technology launch at Test Track	No	NA	Intelligent trailer program: Wabco launches Intelligent Trailer Pro-gram in India, Auto News, ET Auto (indiatimes.com)
4	Advanced Driver Assistance Systems like Lane Departure Warning, Collision Mitigation system, Collision Avoidance System, etc.	Representing ZF Group in AISC (Automotive Industry Standards Committee), CMVR TSC (Central Motor Vehicle Rules Technical Standing Committee), TED (Transport Engineering Department) to share technical know how for preparing various standards suitable for India	Yes	NA	NA
5	Technology Road Maps for India	Representing ZF Group at TSR Committee (Technical, Safety and Regulations committee) of Automotive Components Manufacturers Association (ACMA) to define and align technology roadmaps	Yes	NA	NA

## Principle 8: Businesses should promote inclusive growth and equitable development

The company recognizes the importance of economic and social progress that benefits all stakeholders, including employees, customers, suppliers, and the communities in which it operates. By fostering inclusive business practices and partnerships, the company seeks to create opportunities for social economic advancement thereby contributing to a more equitable society.

### SDG Linkages-





## Essential Indicators

### 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
-	-	-	-	-	-

### 2. Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

S No.	Name of project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

### 3. Describe the mechanisms to receive and redress grievances of the community.

The Company undertakes various CSR activities that address the needs of the community in and around the factory premises. The Company reaches out to the communities, especially the vulnerable groups and addresses their grievances by implementing required CSR activities.

### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	45.45%	39.7%
Directly from within India	82.71%	80.07%

### 5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

	FY 2023-24	FY 2022-23
Rural	42%	*
Semi-urban	Nil	*
Urban	7%	*
Metropolitan	51%	*

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

\*Reporting requirement is applicable from current financial year.

## Leadership Indicators

### 1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sr. No.	State	Aspirational District	Amount spent (In INR)
-	-	-	-
-	-	-	-

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) –** No, The Company follows a standardised procurement policy across all suppliers and vendors

**(b) From which marginalized /vulnerable groups do you procure?** - Not Applicable

**(c) What percentage of total procurement (by value) does it constitute?** - Not Applicable

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared	Basis of calculating benefit share
		Nil		

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not applicable as there were no adverse orders in intellectual property related disputes	-	-

**6. Details of beneficiaries of CSR projects:**

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	50 Nos of Solar streetlights Single arm in nearby Village	more than 500	80%
2	1 No of High mast light	more than 500	80%
3	50KVA Solar power facility at the Women's Polytechnic College	more than 550	90%
4	20 Nos of Solar Light facility Double arm at the Women Polytechnic college	more than 550	90%
5	30 Nos of Solar Street light Single arm facility nearby Ramchandrapur & Uperbera	more than 400	100%
6	Installation of 15 nos of solar based streetlights at SIDCO Industrial estate and nearby Attipattu main road (60 Watts Single arm light, 7-meter pole)	more than 2000	50%
7	Installation of 2 High Mast solar lights at Ambattur 3 <sup>rd</sup> main road meeting junction 880 watts 8 lamps, 15 meters pole	more than 2000	50%
8	Installation of 1 no of solar based LED traffic signal at CTH Road, VGN Road Junction - 3-way Solar LED signal with L type cantilever pole	more than 5000	20%
9	Uppar Primary school - Toilets for kids and building infrastructure improvement	170 and above	90%
10	Hot and cold water dispenser Facility at District Sadar Hospital - 2nos	500 and above	100%
11	O2 Plant AMC, K.K Nagar, Chennai	5000 and above	100%
12	Computer(10 nos) for Computer lab and soldering lab for Govt Polytechnic	400	80%
13	Computer(10 nos) and advanced fitter and welding lab for Govt ITI	400	80%
14	Braking system working model and training to Driver Training institute of STUs	150 drivers and 100 technicians	50%
15	TSC equipments to STUs regional workshop	100 technicians and 200 students	50%





Sr. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
16	4 Nos. of Solar Street light Double Arm 8 meter height 160w and 1 No. High Mast light 160w at TANSIDCO Industrial Estate Construction of workers' hostel	more than 400	40%
17	ECO Park – Fencing	NA	NA
18	1 no. Hi-mast light Near Somaiya Nagar Tiraha (6 arm) (Existing Pole - to fix 6 arm light and solar panel system)	more than 500	80%
19	Smart TV at Uppar Primary school	130	90%
20	Upgradation of UPHC in Zone 7 - Total 9 UPHCs by support of medical equipment to : Oragadam-Ambattur, Menambedu, Venkatapuram, Korattur, Varadharajapuram, Athipet, Padi, Mugappair, Veeramamunivar - ECG Machine - 4 nos., Auto clave 3 nos, Semi Auto Analyzer 1 no, CBC Cell counter 1 no, BP Appartus 45 Nos. Glucometer Unit 45 nos, Glucometer strips pack of 50 strips 450 nos, Glucometer strips pack of 25 strips 900 nos, Speculum 90 nos, Digital weight machine 9 nos.	20000 and above	100%
21	Cyclone Relief support to Tamilnadu	5000	100%
22	Installation of High Frequency C- Arm system (1 No), Multi Para Monitor (10 Nos), Defibrillator (Biphasic) (2 Nos) & Digital X-Ray Fixed (1 No) to Government to Medical College Hospital, Namakkal	35000 and above	50%
23	Re-plantation of Michaug cyclone damaged trees at proving Ground, Chennai	more than 400	80%
24	Solar Power (10KVA) at Government High School, Arikkambedu (Near our Ambattur plant)	more than 3000	20%
25	Solar Traffic Blinker Lights at Ambattur area.	more than 400	80%
26	30 Nos. Solar Powered Corridor lamps light 90W LED in Government Higher Secondary School, Athipet	more than 500	80%
27	Installation of 2 no's of High mast and 15 solar street lights at Govt. Women's Polytechnic chowk & Thana Gamharia	more than 100	10%
28	Desilting of rainwater pond, stone pitching, handrail at Mini Eco Park, Test Track, Meppadu	NA	NA

## Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

The Company's responsible corporate governance, compliance, and exceptional products and services have garnered recognition and trust from its customers. The goal is to uphold the company's dedication and the high regard it has achieved going forward. The Company sees customers as essential partners or members of the marketplace team, crucial for the Company's growth and success.

### SDG Linkages-



### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We have a dedicated Key account team for each customer having regular interaction with the customers on day today activities on QCD and receives customer requirements /Feedback/ Complaints and work closely with them to support / solve the issues.

For new Product development & application projects, we will have a separate weekly call with the Product Development team of customer and publish the progress and Key actions on both the sides. A dedicated commercial excellence team is there to address the commercial settlement with the customer.

Apart from this, on yearly basis the company conducts a customer satisfaction survey annually to capture both complaints and feedback. The responses are then grouped into attributes like Supplier relationship management,

logistics, quality, innovation, competitiveness and programme projects to analyse the responses and score the performance. This analysis is then used for identifying the reasons for the deterioration of scores, if any, and to address the correct course of action.

## 2. Turnover of products and/or services as a percentage of turnover from all products/services that carry information about:

	As a % to total turnover
Environmental and social parameters relevant to the product	0%
Safe and responsible usage	22%*
Recycling and/or safe disposal	0%

\*SBA and Air Processing (Air Drier, DDU, ASP) will have indication of safe usage due to loaded spring assembled inside which are mandatory in nature. We provide 100% of safety instruction on mandatory requirements.

## 3. Number of consumer complaints in respect of the following:

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Receive during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	-	-	Nil	-	-
Advertising	Nil	-	-	Nil	-	-
Cyber-security	Nil	-	-	Nil	-	-
Delivery of essential services	Nil	-	-	Nil	-	-
Restrictive trade practices	Nil	-	-	Nil	-	-
Unfair trade practices	Nil	-	-	Nil	-	-
Other	-	-	-	-	-	-

## 4. Details of instances of product recalls on account of safety issues.

	Number	Reasons for Recall
Voluntary Recalls	0	N/A
Forced Recalls	0	N/A

## 5. Does the entity have a framework/policy on cyber security and risks related to data privacy? If available, provide a web link to the policy.

Yes, ZF CVCS has a global framework and policy on cyber security. This policy covers Corporate Security Incident & Emergency Management, Cyber Security Crisis Response Process, Crisis management, Information security management policy, etc.

Link to Policy

[https://www.zf.com/master/media/en/corporate/m\\_zf\\_com/meta/eu\\_data\\_protection/zf\\_eu\\_notice\\_for\\_customers\\_and\\_business\\_partners\\_de.pdf](https://www.zf.com/master/media/en/corporate/m_zf_com/meta/eu_data_protection/zf_eu_notice_for_customers_and_business_partners_de.pdf)

## 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/services.

Not applicable



**7. Provide the following information relating to data breaches:**

a. Number of instances of data breaches	No data incidents and/or breaches were reported (as per WIG 20-0234 CRISIS and Incident management) to Corporate Security (GCSA) / IT Infrastructure and Operations (FIIC) / India IT BRM head (FIBK), since April 2023 till Mar2024
b. Percentage of data breaches involving personally identifiable information of customers -	
c. Impact, if any, of the data breaches -	

**Leadership Indicators**

**1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Details could be found as follows:

Website: <https://www.zf.com/products/en/cv/home/cv.html>

LinkedIn: <https://www.linkedin.com/showcase/cv-at-zf/>

Customer Helpline (AM): 1800 - 102 - 4770

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The Company has maintained its position as a trusted partner in the value chain due to its focus on quality delivery of customer services as prime positioning. The Company conducts roughly 50 to 60 awareness training sessions each month on products for Authorised Service Centres, Wholesale Distributors, State Transport Undertaking offices, fleet operators, army workshop / office on the products and services. Apart from this we have conducted 23 Driver training session in the last financial year on road awareness & safety.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

The Company is involved in continuous communication with the customers to inform any risk of disruption of any essential services. Dedicated sales and customer support teams located at customer end have consistent communication to keep the customers abreast of any issues in the supply chain.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)**

If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/ No) - Yes, to prevent any kind of personal injury during dismantling of products containing heavily compressed springs necessary warning information is clearly indicated on product labels in Bold red colour. eg. Spring Brake actuators, DDSBA, DDU, Air Drier etc.